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ADDRESS

OF HIS EXCELLENCY

THE GOVERNOR-GENERAL OF CANADA,

ON THE SUBJECT OF

THE RELATIONS BETWEEN THE DOMINION GOVERNMENT AND BRITISH COLUMBIA,

IN RESPECT TO THE

CANADIAN PACIFIC RAILWAY.

DELIVERED AT GOVERNMENT HOUSE, VICTORIA, SEPT. 20TH, 1876,
TO A DEPUTATION OF THE RECEPTION COMMITTEE.

VICTORIA :
PRINTED BY RICHARD WOLFENDEN, GOVERNMENT PRINTER.
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ADDRESS.

GENTLEMEN:—I am indeed very glad to have an opportunity before quitting British Columbia of thanking you, and through you the citizens of Victoria, not only for the general kindness and courtesy I have met with during my residence amongst you; but especially for the invitation to the banquet with which you have honoured me. I regret extremely that my engagements did not permit me to accept this additional proof of your hospitality; but my desire to see as much as possible of the country, and my other engagements, forced me most reluctantly to decline it. I shall, however, have a final opportunity of mingling with your citizens at the entertainment arranged for me at Beacon Hill this afternoon, to which I am looking forward with the greatest pleasure. Perhaps, gentlemen, I may be also permitted to take advantage of this occasion to express to you the satisfaction and enjoyment I have derived from my recent progress through such portions of the Province as I have been able to reach within the short period left at my disposal. I am well aware I have visited but a small proportion of your domains, and that there are important centres of population from which I have been kept aloof. More especially have I to regret my inability to reach Cariboo, the chief theatre of your mining industry and the home of a community with whose feelings, wishes, and sentiments it would have been very advantageous for me to have become personally acquainted. Still by dint of considerable exertion I have traversed the entire coast of British Columbia from its southern extremity to Alaska. I have penetrated to the head of Bute Inlet. I have examined Seymour Narrows, and the other channels which intervene between the head of Bute Inlet and Vancouver Island. I have looked into the mouth of Dean's Canal, and passed along the en-

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trance of Gardner's Channel. I have visited Mr. Duncan's wonderful settlement at Metlakatlah, and the interesting Methodist mission at Fort Simpson; and have thus been enabled to realize what scenes of primitive peace and innocence, of idylic beauty, and material comfort can be presented by the stalwart men and comely maidens of an Indian community under the wise administration of a judicious and devoted Christian missionary. I have passed across the intervening Sound of Queen Charlotte Island to Skidegate, and studied with wonder the strange characteristics of a Hydah village with its forest of heraldic pillars. I have been presented with the sinister opportunity of a descent upon a tribe of our Pagan savages in the very midst of their drunken orgies and barbarous rites, and after various other explorations I have had the privilege of visiting, under very gratifying circumstances, the Royal City of New Westminster. Taking from that spot a new departure, we proceeded up the valley of the Fraser where the river has cloven its way through the granite ridges and bulwarks of the Cascade range, and along a road of such admirable construction, considering the engineering difficulties of the line and the modest resources of the colony when it was built, as does the greatest credit to the able administrator who directed its execution. Passing thence into the open valleys and rounded eminences beyond, we had an opportunity of appreciating the pastoral resources and agricultural capabilities of what is known as the bunch grass country. It is needless to say that wherever we went we found the same kindness, the same loyalty, the same honest pride in their country and its institutions which characterize the English race throughout the world, while Her Majesty's Indian subjects on their spirited horses, which the ladies of their families seemed to bestride with as much ease and grace as their husbands and brothers, notwithstanding the embarrassment of one baby on the pommel and another on the crupper, met us everywhere in large numbers and testified in their untutored fashion their genuine loyalty and devotion to their White Mother. Having journeyed Eastward as far as

Kamloops and admired from a lofty eminence in its neighbourhood what seemed an almost interminable prospect of grazing lands and valleys susceptible of cultivation, we were forced with much reluctance to turn our faces homewards to Victoria. And now that I am back it may, perhaps, interest you to learn what are the impressions I have derived during my journey. Well, I may frankly tell you that I think British Columbia a glorious Province—a Province which Canada should be proud to possess, and whose association with the Dominion she ought to regard as the crowning triumph of Federation. Such a spectacle as its coast line presents is not to be paralleled by any country in the world. Day after day for a whole week, in a vessel of nearly 2000 tons, we threaded an interminable labyrinth of watery lanes and reaches that wound endlessly in and out of a network of islands, promontories, and peninsulas for thousands of miles, unruffled by the slightest swell from the adjoining ocean, and presenting at every turn an ever shifting combination of rock, verdure, forest, glacier, and snow capped mountain of unrivalled grandeur and beauty. When it is remembered that this wonderful system of navigation, equally well adapted to the largest line of battle-ship and the frailest canoe, fringes the entire seaboard of your Province and communicates at points sometimes more than a hundred miles from the coast, with a multitude of valleys stretching eastward into the interior, while at the same time it is furnished with innumerable harbours on either hand, one is lost in admiration at the facilities for inter-communication which are thus provided for the future inhabitants of this wonderful region. It is true at the present moment they lie unused except by the Indian fisherman and villager, but the day will surely come when the rapidly diminishing stores of pine upon this continent will be still further exhausted, and when the nations of Europe as well as of America will undoubtedly be obliged to recur to British Columbia for a material of which you will by that time be the principal depository. Already from an adjoining port a large trade is being done in lumber with Great Britain, Europe,

Australia, and South America, and I venture to think that ere long the ports of the United States will perforce be thrown open to your traffic. I had the pleasure of witnessing the overthrow by the axes of your woodmen of one of your forest giants, that towered to the height of 250 feet above our heads, and whose rings bore witness that it dated its birth from the reign of the Fourth Edward; and where it grew, and for thousands of miles along the coast beyond it, millions of its contemporaries are awaiting the same fate. With such facilities of access as I have described to the heart and centre of your various forest lands, where almost every tree can be rolled from the spot upon which it grew to the ship which is to transfer it to its destination, it would be difficult to over-estimate the opportunities of industrial development thus indicated; and to prove that I am not over-sanguine in my congectures I will read you a letter recently received from the British Admiralty by Mr. Innes, the Superintendent of the Dockyard at Esquimalt :—

"From various causes spars from Canada, the former main source of supply, have not of late years been obtainable, and the trade in New Zealand spars for top-masts has also completely died away. Of late years the sole source of supply has been the casual cargoes of Oregon spars, imported from time to time, and from these the wants of the service have been met. But my Lords feel that this is not a mode to be depended upon, more especially for the larger sized spars."

Their Lordships then proceed to order Mr. Innes to make arrangements for the transhipment for the dockyards of Great Britain of the specified number of Douglas pine which will be required by the Service during the ensuing year,—and what England does in this direction other nations will feel themselves compelled to do as well. But I have learnt a further lesson; I have had opportunities of inspecting some of the spots where your mineral wealth is stored, and here again the ocean stands your friend, the mouths of the coal-pits I have visited almost opening into the hulls of the vessels which are to convey their contents across the ocean. When it is further remembered that inexhaustible supplies of iron ore are found in juxtaposition with

your coal, no one can blame you for regarding the beautiful Island on which you live as having been especially favoured by Providence in the distribution of its natural gifts. But still more precious minerals than either coal or iron enhance the value of your possessions. As we skirted the banks of the Fraser we were met at every turn by the evidences of its extraordinary supplies of fish; but scarcely less frequent were the signs afforded us of the golden treasures it rolls down, nor need any traveller think it strange to see the Indian fisherman hauling out a salmon on to the sands, from whence the miner beside him is sifting the sparkling ore. But the signs of mineral wealth which may happen to have attracted my personal attention are as nothing, I understand, to what is exhibited in Cariboo, Cassiar, and along the valley of the Stickeen, and most grieved am I to think that I have not had time to testify by my presence amongst them the sympathy I feel with the adventurous prospector and the miner in their arduous enterprises. I had also the satisfaction of having pointed out to me where various lodes of silver only await greater facilities of access to be worked with profit and advantage. But perhaps the greatest surprise in store for us was the discovery, on our exit from the pass through the Cascade range, of the noble expanse of pastoral lands and the long vistas of fertile valleys which opened up on every side as we advanced through the country; and which, as I could see with my own eyes from various heights we traversed, extended in rounded upland slopes or in gentle depressions for hundreds of miles to the foot of the Rocky Mountains, proving, after all, that the mountain ranges which frown along your coast no more accurately indicate the nature of the territory they guard than is the wall of breaking surf that roars along a tropic beach identical with the softly undulating sea that glitters in the sun beyond. But you will very likely say to me, of what service to us are these resources which you describe, if they and we are to remain locked up in a distant and at present inaccessible corner of the Dominion, cut off by a trackless waste of intervening territory from all intercourse, whether of a social or of

a commercial character, with those with whom we are politically united? Well, gentlemen, I can only answer: Of comparatively little use, or at all events of far less profit than they would immediately become, were the Railway upon whose construction you naturally counted when you entered into Confederation once completed. But here I feel I am touching upon dangerous ground. You are well aware from the first moment I set foot in the Province I was careful to inform everyone who approached me that I came here as the Governor-General of the Dominion, the Representative of Her Majesty, exactly in the same way as I had passed through other Provinces of the Dominion, in order to make acquaintance with the people, their wants, wishes, and aspirations, and to learn as much as I could in regard to the physical features, capabilities, and resources of the Province; that I had not come on a diplomatic mission, or as a messenger, or charged with any announcement, either from the Imperial or from the Dominion Government. This statement I beg now most distinctly to repeat. Nor should it be imagined I have come either to persuade or coax you into any line of action which you may not consider conducive to your own interests, or to make any new promises on behalf of my Government, or renew any old ones; least of all have I a design to force upon you any further modification of those arrangements which were arrived at in 1874 between the Provincial and the Dominion Governments under the auspices of Lord Carnarvon. Should any business of this kind ever have to be perfected, it will have to be done in the usual constitutional manner through the Secretary of State. But though I have thought it well thus unmistakably and effectually to guard against my journey to the Province being misinterpreted, there is I admit one mission with which I am charged—a mission that is strictly within my functions to fulfil—namely—the mission of testifying by my presence amongst you and by my patient and respectful attention to everything which may be said to me, that the Government and the entire people of Canada, without distinction of party, are most sincerely desirous of cultivating with you those friendly

and affectionate relations, upon the existence of which must depend the future harmony and solidity of our common Dominion. Gentlemen, this mission I think you will admit I have done my best to fulfil. I think you will bear me witness that I have been inaccessible to no one, that I have shown neither impatience nor indifference during the conversations I have had with you, and that it would have been impossible for any one to have exhibited more anxiety thoroughly to understand your views. I think it will be further admitted that I have done this, without in the slightest degree seeking to disturb or embarrass the march of your domestic politics. I have treated the existing Ministers as it became me to treat the responsible advisers of the Crown in this locality, and I have shown that deference to their opponents which is always due to Her Majesty's loyal opposition. Nay, further, I think it must have been observed that I have betrayed no disposition either to create or foment in what might be termed, though most incorrectly, the interest of Canada, any discord or contrariety of interest between the Mainland and the Island. Such a mode of procedure would have been most unworthy ; for no true friend of the Dominion should be capable of any other object or desire than to give universal satisfaction to the Province as a whole. A settlement of the pending controversy would indeed be most lamely concluded if it left either of the sections into which your community is geographically divided, unsatisfied. Let me then assure you on the part of the Canadian Government, and on the part of the Canadian people at large, that there is nothing they desire more earnestly or more fervently than to know and feel that you are one with them in heart, thought, and feeling. Canada would indeed be dead to the most self-evident considerations of self-interest and to the first instincts of national pride if she did not regard with satisfaction her connection with a Province so richly endowed by Nature, inhabited by a community so replete with British loyalty and pluck, while it afforded her the means of extending her confines and the outlets of her commerce to the wide Pacific and the countries beyond. It is true circumstances have arisen to create an un-

friendly and hostile feeling in your minds against Canada. You consider yourselves injured, and you certainly have been disappointed. Far be it from me to belittle your grievances, or to speak slightingly of your complaints. Happily my independent position relieves me from the necessity of engaging with you in any irritating discussion upon the various points which are in controversy between this Colony and the Dominion Government. On the contrary, I am ready to make several admissions. I don't suppose that in any part of Canada will it be denied that you have been subjected both to anxiety and uncertainty on points which were of vital importance to you. From first to last since the idea of a Pacific Railway was originated, things, to use a homely phrase, have gone "contrairy" with it, and with everybody connected with it, and you in common with many other persons have suffered in many ways. But though happily it is no part of my duty to pronounce judgment in these matters, or to approve, or blame, or criticise the conduct of anyone concerned, I think that I can render both Canada and British Columbia some service by speaking to certain matters of fact which have taken place within my own immediate cognizance, and by thus removing from your minds certain wrong impressions in regard to the matters of fact, which have undoubtedly taken deep root there. Now, gentlemen, in discharging this task—I may almost call it this duty—I am sure my observations will be received by those I see around me in a candid and loyal spirit, and that the heats and passions which have been engendered by these unhappy differences will not prove an impediment to a calm consideration of what I am about to say, more especially as it will be my endeavour to avoid wounding any susceptibilities, or forcing upon your attention views or opinions which may be ungrateful to you. Of course I well understand that the gravamen of the charge against the Canadian Government, is that it has failed to fulfil its treaty engagements. Those engagements were embodied in a solemn agreement which was ratified by the respective Legislatures of the contracting parties, who were at the time perfectly independent of each other, and I admit they thus acquired all the

characteristics of an international treaty. The terms of that treaty were (to omit the minor items) that Canada undertook to secure, within two years from the date of the union, the simultaneous commencement at either end of a railway which was to connect the seaboard of British Columbia with the railway system of the Dominion, and that such railway should be completed within ten years from the date of union in 1871. We are now in 1876. Five years have elapsed, and the work of construction even at one end can be said to have only just begun. Undoubtedly under these circumstances everyone must allow that Canada has failed to fulfil her treaty obligations towards this Province, but unfortunately Canada has been accused not only of failing to accomplish her undertakings, but of what is a very different thing,—a wilful breach of faith in having neglected to do so. Well, let us consider for a moment whether this very serious assertion is true. What was the state of things when the bargain was made? At that time everything in Canada was prosperous: her finances were flourishing, the discovery of the Great North West, so to speak, had inflamed her imagination; above all things railway enterprise in the United States and generally on this continent was being developed to an astounding extent. One trans-continental railway had been successfully executed, and several others on the same gigantic scale were being projected; in fact it had come to be considered that a railway could be flung across the Rocky Mountains as readily as across a hay field, and the observations of those who passed from New York and San Francisco did not suggest any extraordinary obstacles to undertakings of this description. Unfortunately one element in the calculation was left entirely out of account, and that was the comparative ignorance which prevailed in regard to the mountain ranges and the mountain passes which intervened between the Hudson Bay Company's possessions and our Western Coast. In the United States, for years and years, troops of emigrants had passed Westward to Salt Lake City, to Sacramento, and to the Golden Gate; every track and trail through the mountains was wayworn

and well known: the location of a line in that neighbourhood was pre-determined by the experience of persons already well acquainted with the locality. But in our case the trans-continental passes were sparse and unfrequented, and from an engineering point of view may be said to have been absolutely unknown. It was under these circumstances that Canada undertook to commence her Pacific Railway in two years, and to finish it in ten. In doing this she undoubtedly pledged herself to that which was a physical impossibility, for the moment the engineers peered over the Rocky Mountains into your Province they saw at once that before any one passage through the devious range before them could be pronounced the best, an amount of preliminary surveying would have to be undertaken which it would require several years to complete. Now there is a legal motto which says *nemo teneatur ad impossible*, and I would submit to you that under the circumstances I have mentioned, however great the default of Canada, she need not necessarily have been guilty of any wilful breach of faith. I myself am quite convinced that when Canada ratified this bargain with you she acted in perfect good faith and fully believed that she would accomplish her promise, if not within ten years, at all events within such a sufficiently reasonable period as would satisfy your requirements. The mistake she made was in being too sanguine in her calculations, but remember, a portion of the blame for concluding a bargain impossible of accomplishment cannot be confined to one only of the parties to it. The mountains which have proved our stumbling block were your own mountains, and within your own territory, and however deeply an impartial observer might sympathize with you in the miscarriage of the two time terms of the compact, one of which,—namely as to the commencement of the line in two years from 1871—has failed, and the other of which, namely, its completion in ten, must fail, it is impossible to forget that yourselves are by no means without responsibility for such a result. It is quite true—in what I must admit to be a most generous spirit—you intimated in various ways that you did not

desire to hold Canada too strictly to the letter of her engagements as to time. Your expectations in this respect were stated by your late Lieutenant-Governor, Mr. Trutch, very fairly and explicitly, although a very unfair use has been made of his words, and I have no doubt that if unforeseen circumstances had not intervened, you would have exhibited as much patience as could have been expected of you. But a serious crisis supervened in the political career of Canada. Sir John Macdonald resigned office, and Mr. Mackenzie acceded to power, and to all the responsibilities incurred by Canada in respect to you and your Province. Now it is asserted, and I imagine with truth, that Mr. Mackenzie and his political friends had always been opposed to many portions of Canada's bargain with British Columbia. It therefore came to be considered in this Province that the new Government was an enemy to the Pacific Railway. But I believe this to have been and to be a complete misapprehension. I believe the Pacific Railway has no better friend in Canada than Mr. Mackenzie, and that he was only opposed to the time terms in the bargain because he believed them impossible of accomplishment, and that a conscientious endeavour to fulfil them would unnecessarily and ruinously increase the financial expenditure of the country, and in both these opinions Mr. Mackenzie was undoubtedly right. With the experience we now possess, and of course it is easy to be wise after the event, no one would dream of saying that the Railway could have been surveyed, located, and built within the period named, or that any Company who might undertake to build the line within that period would not have required double or treble the bonus that would have been sufficient had construction been arranged for at a more leisurely rate, but surely it would be both ungenerous and unreasonable for British Columbia to entertain any hostile feelings towards Mr. Mackenzie on this account, nor is he to be blamed in my opinion if on entering office in so unexpected a manner he took time to consider the course which he would pursue in regard to his mode of dealing with a question of such enormous importance. His

position was undoubtedly a very embarrassing one; his Government had inherited responsibilities which he knew, and which the country had cause to know, could not be discharged. Already British Columbia had begun to cry out for the fulfilment of the bargain, and that at the very time that Canada had come to the conclusion that the relaxation of some of its conditions was necessary. Out of such a condition of affairs it was almost impossible but that there should arise in the first place delay—for all changes of Government necessarily check the progress of public business,—and in the next, friction, controversy, and collision between the Province and the Dominion. Happily it is not necessary that I should follow the course of that quarrel or discuss the various points which were then contested. You cannot expect me to make any admissions in respect to the course my Ministers may have thought it right to pursue, nor would it be gracious upon my part to criticise the action of your Province during this painful period. Out of the altercation which then ensued there issued under the auspices of Lord Carnarvon, a settlement; and when an agreement has been arrived at, the sooner the incidents connected with the conflict which preceded it are forgotten, the better. Here then we have arrived at a new era; the former laches of Canada, if any such there had been, are condoned, and the two time terms of the treaty are relaxed on the one part, while on the other certain specific obligations were superadded to the main article in the original bargain: that is to say —again omitting minor items—the Province agreed to the Pacific Railway being completed in 16 years from 1874, and to its being begun "as soon as the surveys shall have been completed," instead of at a fixed date, while the Dominion Government undertook to construct at once a Railway from Esquimalt to Nanaimo, to hurry forward the surveys with the utmost possible dispatch, and as soon as construction should have begun, to spend two millions a year in the prosecution of the work. I find that in this part of the world these arrangements have come to be known as the "Carnarvon Terms." It is a very convenient designation, and

I am quite content to adopt it on one condition, namely, that Lord Carnarvon is not to be saddled with any of the original responsibility with regard to any of these terms but one. The main body of the terms are Mr. Mackenzie's; that is to say, Mr. Mackenzie proffered the Nanaimo and Esquimalt Railway, the telegraph line, the waggon road and the annual expenditure. All that Lord Carnarvon did was to suggest that the proposed expenditure should be two millions instead of one and a half millions, and that a time limit should be added. But, as you are well aware, this last condition was necessarily implied in the preceding one relating to the annual expenditure, for once committed to that expenditure Canada would in self defence be obliged to hasten the completion of the line in order to render reproductive the capital she sunk as quickly as possible. It is therefore but just to Lord Carnarvon that he should be relieved from the responsibility of having been in any way the inventor of what are known as the "Carnarvon Terms." Lord Carnarvon merely did what every arbitrator would do under the circumstances; he found the parties already agreed in respect to the principal items of the bargain and was consequently relieved from pronouncing on their intrinsic merits, and proceeded at once to suggest to Canada the further concession which would be necessary to bring her into final accord with her opponent. In pursuance of this agreement the Canadian Government organized a series of surveying parties upon a most extensive and costly scale. In fact, during the last two years two millions of money alone have been expended upon these operations. The Chief Engineer himself has told me that Mr. Mackenzie had given him *carte blanche* in the matter, so anxious was he to have the route determined without delay; and that the mountains were already as full of as many theodolites and surveyors as they could hold. I am aware it is said—indeed as much has been hinted to me since I came here—that these surveys were merely multiplied in order to furnish an excuse for further delays. Well, that is rather a hard saying. But upon this point I can speak from my own personal knowledge, and I am sure that what I say on this head will

be accepted as the absolute truth. During the whole of the period under review I was in constant personal communication with Mr. Fleming, and was kept acquainted by that gentleman with everything that was being done. I knew the position of every surveying party in the area under examination. Now Mr. Fleming is a gentleman in whose personal integrity, and in whose professional ability every one I address has the most perfect confidence. Mr. Fleming, of course, was the responsible engineer who planned those surveys and determined the lines along which they were to be carried, and over and over again Mr. Fleming has explained to me how unexpected were the difficulties he had to encounter, how repeatedly after following hopefully a particular route his engineers found themselves stopped by an impassable wall of mountain which blocked the way, and how trail after trail had to be examined and abandoned before he had hit on anything like a practicable route. Even now, after all that has been done, a glance at the map will show you how devious and erratic is the line which appears to afford the only tolerable exit from the labyrinthine ranges of the Cascades. Notwithstanding, therefore, whatever may have been bruited abroad in the sense to which I have alluded, I am sure it will be admitted, nay, I know it is admitted, that so far as the prosecution of the surveys is concerned, Canada has used due diligence, yes, more than due diligence in her desire to comply with that section of the "Carnarvon Terms" relating to this particular. You must remember that it is a matter of the greatest moment, affecting the success of the entire scheme, and calculated permanently to affect the future destiny of the people of Canada, that a right decision should be arrived at in regard to the location of the western portion of the line, and a Minister would be a traitor to a most sacred trust if he allowed himself to be teased, intimidated or cajoled into any percipitate decision on such a momentous point until every possible route had been duly examined. When I left Ottawa the engineers seemed disposed to report that our ultimate choice would lie between two routes, both starting from Fort

George, namely, that which leads to the head of Dean's Canal, and that which terminates in Bute Inlet. Of these two the line to Dean's Canal was the shortest by some 40 miles, and was considerably the cheaper by reason of its easier grades. The ultimate exit of this channel to the sea was also more direct than the tortuous navigation out of Bute Inlet; but Mr. Mackenzie added—though you must not take what I am now going to say as a definite conclusion on his part, or an authoritative communication upon mine—that provided the difference in expense was not so great as to forbid it, he would desire to adopt what might be the less advantageous route from the Dominion point of view in order to follow that line which would most aptly meet the requirements of the Province. Without pronouncing an opinion on the merits of either of the routes, which it is no part of my business to do, I may venture to say that in this principle I think Mr. Mackenzie is right, and that it would be wise and generous of Canada to consult the local interests of British Columbia by bringing the line and its terminus within reach of existing settlement, if it can be done without any undue sacrifice of public money. From a recent article in the *Globe* it would seem as though the Bute Inlet line had finally found favour with the Government, though I myself have no information on the point, and I am happy to see from the statistics furnished by that journal that not only has the entire line to the Pacific been at last surveyed, located, graded, and its profile taken out, but that the calculated expenses of construction though very great, and to be incurred only after careful consideration, are far less than were anticipated. Well, gentlemen, should the indications we have received of the intentions of the Government prove correct, you are very much to be congratulated, for I am well aware that the line to Bute Inlet is the one which you have always favoured, and I should hope that now at last you will be satisfied that the Canadian Government has used, as it undertook to do, all possible expedition in prosecuting the surveys of the line to the Pacific Coast. I only wish that Waddington Harbour, at the head of the Inlet, was a better

port. I confess to having but a very poor opinion of it, and certainly the acquaintance I have made with Seymour Narrows and the intervening channels which will have to be bridged or ferried, did not seem to me to be very favourable to either operation. Well, then, we now come to the Esquimalt and Nanaimo Railway. I am well aware of the extraordinary importance you attach to this work, and of course I am perfectly ready to admit that its immediate execution was promised to you in the most definite and absolute manner under Lord Carnarvon's arbitration. I am not, therefore, suprised at the irritation and excitement occasioned in this city by the non-fulfilment of this item in the agreement—nay, I will go further, I think it extremely natural that the miscarriage of this part of the bargain should have been provocative of very strenuous language and deeply embittered feelings, nor am I surprised that as is almost certain to follow on such occasions, you should in your vexation put a very injurious construction on the conduct of those who had undertaken to realize your hopes; but still I know that I am addressing high-minded and reasonable men, and moreover that you are perfectly convinced that I would sooner cut my right hand off than utter a single word that I do not know to be an absolute truth. Two years have passed since the Canadian Government undertook to commence the construction of the Esquimalt and Nanaimo Railway, and the Nanaimo and Esquimalt Railway is not even commenced, and what is more there does not at present seem a prospect of its being commenced. What then is the history of the case, and who is answerable for your disappointment? I know you consider Mr. Mackenzie. I am not here to defend Mr. Mackenzie, his policy, his proceedings, or his utterances. I hope this will be clearly understood. In anything I have hitherto said I have done nothing of this sort, nor do I intend to do so. I have merely stated to you certain matters with which I thought it well for you to be acquainted, because they have been misapprehended, and what I now tell you are also matters of fact, within my own cognizance and which have no relation to Mr. Mackenzie as the head of a

political party, and I tell them to you not only in your own interest, but in the interest of public morality and English honour. In accordance with his engagements to you in relation to the Nanaimo and Esquimalt Railway Mr. Mackenzie introduced as soon as it was possible a Bill into the Canadian House of Commons, the clauses of which were admitted by your Representatives in Parliament fully to discharge his obligations to yourselves and to Lord Carnarvon in respect to that undertaking, and carried it through the lower House by a large majority. I have reason to think that many of his supporters voted for the Bill with very great misgivings both as to the policy of the measure, and the intrinsic merits of the Railway, but their leader had pledged himself to exercise his Parliamentary influence to pass it, and they very properly carried it through for him. It went up to the Senate and it was thrown out by that body by a majority of two. Well, I have learnt with regret that there is a very widespread conviction in this community that Mr. Mackenzie had surreptitiously procured the defeat of his own measure in the Upper House. Had Mr. Mackenzie dealt so treacherously by Lord Carnarvon, by the Representative of his Sovereign in this country, or by you, he would have been guilty of a most atrocious act, of which I trust no public man in Canada or in any other British Colony could be capable. I tell you in the most emphatic terms, and I pledge my honour on the point, that Mr. Mackenzie was not guilty of any such base and deceitful conduct—had I thought him guilty of it either he would have ceased to have been Prime Minister or I should have left the country. But the very contrary was the fact. While these events were passing I was in constant personal communication with Mr. Mackenzie. I naturally watched the progress of the Bill with the greatest anxiety, because I was aware of the eagerness with which the act was desired in Victoria, and because I had long felt the deepest sympathy with you in the succession of disappointments to which, by the force of circumstances, you had been exposed. When the Bill passed the House of Commons by a large majority with the assent of the

leader of the opposition, in common with everyone else, I concluded it was safe, and the adverse vote of the Senate took me as much by surprise as it did you and the rest of the world. I saw Mr. Mackenzie the next day and I have seldom seen a man more annoyed or disconcerted than he was; indeed he was driven at that interview to protest with more warmth than he has ever used against the decision of the English Government, which had refused, on the opinion of the law officers of the Crown, to allow him to add to the members of the Senate, when soon after his accession to office, Prince Edward Island had entered Confederation. "Had he "been permitted," he said to me, "to have exercised "his rights in that respect, this would not have "happened, but how can these mischances be prevented in a body, the majority of which, having been "nominated by my political opponent is naturally "hostile to me." Now, gentlemen, your acquaintance with Parliamentary Government must tell you that this last observation of Mr. Mackenzie's was a perfectly just one. But my attention has been drawn to the fact that two of Mr. Mackenzie's party supported his Conservative opponents in the rejection of the Bill, but surely you don't imagine that a Prime Minister can deal with his supporters in the Senate as if they were a regiment of soldiers. In the House of Commons he has a better chance of maintaing a party discipline, for the constituencies are very apt to resent any insubordination on the part of their members towards the leader of their choice. But a Senator is equally independent of the Crown, the Minister, or the people, and as in the House of Lords at Home, so in the Second Chamber in Canada, gentlemen will run from time to time on the wrong side of the post. But it has been observed—granting that the two members in question did not vote as they did at Mr. Mackenzie's instigation —he has exhibited his perfidy in not sending in his resignation as soon as the Senate had pronounced against the Bill. Now, gentlemen, you cannot expect me to discuss Mr. Mackenzie's conduct in that respect. It would be very improper for me to do so, but though I cannot discuss Mr. Mackenzie's conduct, I am perfect-

ly at liberty to tell you what I myself should have done had Mr. Mackenzie tendered to me his resignation. I should have told him that in my opinion such a course was quite unjustifiable, that as the House of Commons was then constituted I saw no prospect of the Queen's Government being advantageously carried on except under his leadership, and that were he to resign at that time the greatest inconvenience and detriment would ensue to the public service. That is what I should have said to Mr. Mackenzie in the event contemplated, and I have no doubt that the Parliament and the people of Canada would have confirmed my decision. But it has been furthermore urged that Mr. Mackenzie ought to have re-introduced the Bill. Well, that is again a point I cannot discuss, but I may tell you this, that if Mr. Mackenzie had done so, I very much doubt whether he would have succeeded in carrying it a second time even in the House of Commons. The fact is that Canada at large, whether rightly or wrongly I do not say, has unmistakably shown its approval of the vote in the Senate. An opinion has come to prevail from one end of the Dominion to the other, an opinion which I find is acquiesced in by a considerable proportion of the inhabitants of British Columbia, that the Nanaimo and Esquimalt Railway cannot stand upon its own merits, and that its construction as a Government enterprise would be, at all events at present, a useless expenditure of the public money. Now again let me assure you that I am not presuming to convey to you any opinion of my own on this much contested point. Even did I entertain any misgivings on the subject it would be very ungracious for me to parade them in your presence and on such an occasion. I am merely communicating to you my conjecture why it is that Mr. Mackenzie has shown no signs of his intention to re-introduce the Nanaimo and Esquimalt Railway Bill into Parliament, viz. :—because he had no chance of getting it passed. Well, then, gentlemen, of whom and what have you to complain? Well, you have every right from your point of view to complain of the Canadian Senate. You have a right to say that after the Government of the day had promised that a measure upon

which a majority of the inhabitants of an important Province had set their hearts should be passed, it was ill-advised and unhandsome of that body not to confirm the natural expectations which had thus been gendered in your breasts, especially when that work was itself offered as a solution to you for a previous injury. I fully admit that it is a very grave step for either House of the Legislature, and particularly for that which is not the popular branch, to disavow any agreement into which the Executive may have entered, except under a very absolute sense of public duty. Mind, I am not saying that this is not such a case, but I say that you have got a perfect right from your own point of view, so to regard it. But, gentlemen, that is all. You have got no right to go beyond that. You have got no right to describe yourselves as a second time the victims of a broken *agreement*. As I have shown you, the persons who had entered into an engagement in regard to this Railway with you and Lord Carnarvon had done their very best to discharge their obligations. But the Senate who counteracted their intention, had given no preliminary promises whatsoever either to you or to the Secretary of State. They rejected the Bill in the legitimate exercise of their constitutional functions, and there is nothing more to be said on this head, so far as that body is concerned, either by you or Lord Carnarvon, for I need not assure you that there is not the slightest chance that any Secretary of State in Downing Street would attempt anything so unconstitutional, so likely to kindle a flame throughout the whole Dominion, as to coerce the free legislative action of her Legislature. But there is one thing I admit the Senate has done, it has revived in their integrity those original treaty obligations on the strength of which you were induced to enter Confederation, and it has re-imposed upon Mr. Mackenzie and his Government the obligation of offering you an equivalent for that stipulation in the "Carnarvon Terms" which he has not been able to make good. Now, from the very strong language which has been used in regard to the conduct of Mr. Mackenzie, a bystander would be led to imagine that as soon as his Railway Bill had miscarried, he had

cynically refused to take any further action in the matter. Had my Government done this they would have exposed themselves to the severest reprehension, and such conduct would have been both faithless to you and disrespectful to Lord Carnarvon; but so far from having acted in this manner, Mr. Mackenzie has offered you a very considerable grant of money in consideration of your disappointment. Now here again I won't touch upon the irritating controversies which have circled round this particular step in these transactions. I am well aware that you consider this offer to have been made under conditions of which you have reason to complain. If this has been the case it is most unfortunate, but still whatever may have been the sinister incidents connected with the past, the one solid fact remains that the Canadian Government has offered you $750,000 in lieu of the railway. This sum has been represented to me as totally inadequate, and as very far short of an equivalent. It may be so or it may not be so. Neither upon that point will I offer an opinion, but still I may mention to you the principle upon which that sum has been arrived at. Under the Nanaimo and Esquimalt Railway Bill, whose rejection by the Senate we have been considering, Canada was to contribute a bonus of $10,000 a mile; the total distance of the line is about 70 miles, consequently the $750,000 is nothing more or less than this very bonus converted into a lump sum. Now since I have come here it has been represented to me by the friends of the Railway that it is a line which is capable of standing on its own merits, and that a company had been almost induced to take it up some time ago as an unsubsidied enterprise. Nay, only yesterday the local paper which is the most strenuous champion for the line, asserted that it could be built for $2,000,000; that the lands—which, with the $750,000, were to be replaced by Mr. Mackenzie at your disposal—were worth several millions more, and that the Railway itself would prove a most paying concern. If this is so, and what better authority can I refer to, is it not obvious that the bonus proposal of the Dominion Government assumes at least the semblance of a fair offer, and even

if you did not consider it absolutely up to the mark, it should not have been denounced in the very strong language which has been used. However, I do not wish to discuss the point whether the $750,000 was a sufficient offer or not. I certainly am not empowered to hold out to you any hopes of an advance—all that I would venture to submit is that Mr. Mackenzie having been thwarted in his bona fide endeavour to fulfil this special item in the "Carnarvon Terms" has adopted the only course left to him in proposing to discharge his obligations by a money payment. I confess I should have thought this would be the most natural solution of the problem, and that the payment of a sum of money equivalent to the measure of Mr. Mackenzie's original obligation, to be expended under whatever conditions would be most immediately advantageous to the Province, and ultimately beneficial to the Dominion, would not have been an unnatural remedy for the misadventure which has stultified the special stipulation in regard to the Nanaimo and Esquimalt Railway, but of course of these matters you yourselves are the best judges, and I certainly have not the slighest desire to suggest to you any course which you may think contrary to your interests. My only object in touching upon them at all is to disabuse your minds of the idea that there has been any intention upon the part of Mr. Mackenzie, his Government, or of Canada, to break their faith with you. Every single item of the "Carnarvon Terms" is at this moment in the course of fulfilment. At enormous expense the surveys have been pressed forward to completion; the fifty millions of land and the thirty millions of money to be provided for by Canada under the Bill are ready; the profiles of the main line have been taken out, and the most elaborate information has been sent over to Europe in regard to every section of country through which it passes; several thousand miles of the stipulated telegraph have been laid down, and now that the location of the western terminus seems to have been determined, though upon this point I have myself no information, tenders I imagine will be called for almost immediately. Whatever further steps may be neces-

sary to float the undertaking as a commercial enterprise will be adopted and the promised waggon-road will necessarily follow *pari passu* with construction. Well, then, gentlemen, how will you stand under these circumstances? You will have got your line to Bute Inlet. Now I will communicate to you a conclusion I have arrived at from my visit to that locality. If the Pacific Railway once comes to Bute Inlet, it cannot stop there. It may pause there for a considerable time, until Canadian trans-Pacific traffic with Australia, China, and Japan shall have begun to expand, but such a traffic once set going, Waddington Harbour will no longer serve as a terminal port, in fact it is no harbour at all, and scarcely an anchorage,—the Railway must be prolonged under these circumstances to Esquimalt, that is to say if the deliberate opinion of the Engineers should pronounce the operation feasible, and Canada shall in the meantime have acquired the additional financial stability which would justify her undertaking what under any circumstances must prove one of the most gigantic achievements the world has ever witnessed. In that case of course the Nanaimo Railway springs into existence of its own accord, and you will then be in possession both of your money compensation and of the thing for which it was paid, and with this result I do not think you should be ill-satisfied. But should the contrary be the case, the prospect is indeed a gloomy one; should hasty counsels, and the exhibition of an impracticable spirit throw these arrangements into confusion, interrupt or change our present railway programme, and necessitate any re-arrangement of your political relations, I fear Victoria would be the chief sufferer. I scarcely like to allude to such a contingency, nor, gentlemen, are my observations directed immediately to you. Now I know very well that neither those whom I am addressing nor do the greater majority of the inhabitants of Vancouver Island or of Victoria, participate in the views to which I am about to refer, but still a certain number of your fellow-citizens, gentlemen with whom I have had a great deal of pleasant and interesting conversation, and who have shown to me personally the greatest kindness and

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courtesy, have sought to impress me with the belief that if the Legislature of Canada is not compelled by some means or other, which however they do not specify, to make forthwith these 70 miles of railway, they will be strong enough, in the face of Mr. Mackenzie's offer of a money equivalent, to take British Columbia out of the Confederation. Well, they certainly won't be able to do that. I am now in a position to judge for myself as to what are the real sentiments of the community. I will even presume to say I know more about it than these gentlemen themselves. When once the main line of the Pacific Railway is under weigh, the whole population of the Mainland would be perfectly contented with the present situation of affairs, and will never dream of detaching their fortunes from those of Her Majesty's great Dominion. Nay, I don't believe that these gentlemen would be able to persuade their fellow citizens even of the Island of Vancouver to so violent a course; but granting for the moment that their influence should prevail,—what would be the result? British Columbia would be still part and parcel of Canada. The great work of Confederation would not be perceptibly affected. But the proposed line of the Pacific Railway might possibly be deflected south. New Westminster would certainly become the capital of the Province, the Dominion would naturally use its best endeavours to build it up into a flourishing and prosperous city. It would be the seat of Government, and the home of justice, as well as the chief social centre on the Pacific Coast. Burrard Inlet would become a great commercial port, and the miners of Cariboo with their stores of gold dust would spend their festive and open-handed winters there. Great Britain would of course retain Esquimalt as a naval station on this coast, as she has retained Halifax as a naval station on the other, and inasmuch as a constituency of some 1,500 persons would not be able to supply the material for a Parliamentary Government, Vancouver and its inhabitants, who are now influential by reason of their intelligence rather than their numbers, would be ruled as Jamaica, Malta, Gibraltar, Heligoland, and Ascension are ruled, through the instru-

mentality of some Naval or other Officer. Nanaimo would become the principal town of the Island, and Victoria would lapse for many a long year into the condition of a village, until the development of your coal fields, and the growth of a healthier sentiment had prepared the way for its re-incorporation with the rest of the Province; at least that is the horoscope I should draw for it in the contingency contemplated by these gentlemen. But God forbid that any such prophecy should be realized. I believe the gentlemen I have referred to are the very last who would desire to see the fulfilment of their menaces, and I hope they will forgive me if I am not intimidated by their formidable representations. When some pertinacious philosopher insisted on assailing the late King of the Belgians with a raphsody on the beauties of a Republican Government His Majesty replied, "You forget, sir, I am a Royalist by profession." Well, a Governor-General is a Federalist by profession, and you might as well expect the Sultan of Turkey to throw up his cap for the commune as the Viceroy of Canada to entertain a suggestion for the disintegration of the Dominion. I hope therefore they will not bear me any ill-will for having declined to bow my head beneath their "separation" arch. It was a very good humoured, and certainly not a disloyal bit of "bounce" which they had prepared for me. I suppose they wished me to know they were the "arch" enemies of Canada. Well, I have made an arch reply. But, gentlemen, of course, I am not serious in discussing such a contingency as that to which I have referred. Your numerical weakness as a community is your real strength, for it is a consideration which appeals to every generous heart. Far be the day when on any acre of soil above which floats the flag of England, mere material power, brute political preponderance, should be permitted to decide such a controversy as that which we are discussing. It is to men like yourselves who, with unquailing fortitude and heroic energy have planted the laws and liberties and the blessed influences of English homes amidst the wilds and desert plains of savage lands, that England owes the enhancement of her prestige, the diffusion of

her tongue, the increase of her commerce and her ever-widening renown, and woe betide the Government or Statesmen who, because its inhabitants are few in number and politically of small account, should disregard the wishes or carelessly dismiss the representations however bluff, boisterous or downright, of the feeblest of our distant colonies. No, gentlemen, neither England or Canada would be content or happy in any settlement that was not arrived at with your own hearty approval and consent, and equally satisfactory to every section of your Province; but we appeal to your moderation and practical good sense to assist us in resolving the present difficulty,—the genius of the Eng'ish race has ever been too robust and sensible to admit the existence of an irreconcileable element in its midst. It is only among weak and hysterical populations that such a growth can flourish;—however hard the blows given and taken during the contest, Britishers always find a means of making up the quarrel, and such I trust will be the case on the present occasion. My functions as a constitutional ruler are simply to superintend the working of the political machine, but not to intermeddle with its action. I trust that I have observed that rule on the present occasion and that, although I have addressed you at considerable length, I have not said a word which has not been strictly within my province to say or has intruded on those domains which are reserved for my responsible advisers. As I warned you would be the case, I have made no announcement, I have made no promise, I have hazarded no opinion upon any of the administrative questions now occupying the joint attention of yourselves and the Dominion. I have only endeavoured to correct some misapprehensions by which you have been possessed in regard to matters of historical fact, and I have testified to the kind feeling entertained for you by your fellow.subjects in Canada, and to the desire of my Government for the re-establishment of the friendliest and kindest relations between you and themselves, and I trust that I may carry away with me the conviction that from henceforth a less angry and irritated feeling towards

Canada will have been inaugurated than has hitherto subsisted. Of my own earnest desire to do anything I can to forward your views so far as they may be founded in justice and reason I need not speak. My presence here and the way in which I have spent my time will have convinced you of what has been the object nearest my heart. I cannot say how glad I am to have come, or how much I have profited by my visit, and I assure you none of the representations with which I have been favoured will escape my memory or fail to be duly submitted in the proper quarter.

And now, gentlemen, I must bid you good bye; but before doing so there is one other topic upon which I am desirous of touching. From my first arrival in Canada I have been very much preoccupied with the condition of the Indian population in this Province. You must remember that the Indian population are not represented in Parliament, and consequently that the Governor-General is bound to watch over their welfare with especial solicitude. Now, we must all admit that the condition of the Indian question in British Columbia is not satisfactory. Most unfortunately, as I think, there has been an initial error ever since Sir James Douglas quitted office, in the Government of British Columbia neglecting to recognize what is known as the Indian title. In Canada this has always been done; no Government, whether provincial or central, has failed to acknowledge that the original title to the land existed in the Indian tribes and communities that hunted or wandered over them. Before we touch an acre we make a treaty with the chiefs representing the lands we are dealing with, and having agreed upon and paid the stipulated price, oftentimes arived at after a great deal of haggling and difficulty, we enter into possession, but not until then do we consider that we are entitled to deal with an acre. The result has been that in Canada our Indians are contented, well affected to the white man, and amenable to the laws and Government. At this very moment the Lieutenant-Governor of Manitoba has gone on a distant expedition in order to make a treaty with the tribes to the northward of the Saskatchewan. Last year he made two

treaties with the Sioux and Crows; next year it has been arranged that he should make a treaty with the Blackfeet, and when this has been done the British Crown will have acquired a title to every acre that lies between Lake Superior and the top of the Rocky Mountains. But in British Columbia, except in a few cases where, under the jurisdiction of the Hudson Bay Company or under the auspices of Sir James Douglas, a similar practice has been adopted, the British Columbia Government has always assumed that the fee simple as well as the sovereignty resided in the Queen. Acting upon this principle they have granted extensive grazing leases and otherwise so dealt with various sections of the country as greatly to restrict or interfere with the prescriptive rights of the Queen's Indian subjects. As a consequence there has come to exist a very unsatisfactory feeling amongst the Indian population. Intimations of this reached me at Ottawa two or three years ago, and since I have come into the Province my misgivings on the subject have been confirmed. Now, I confess I consider that our Indian fellow-subjects are entitled to exactly the same civil rights under the law as are possessed by the white population, and that if an Indian can prove a prescriptive right of way to a fishing station, or a right of way of any other kind, that that right should no more be ignored than if it was the case of a white man. I am well aware that among the coast Indians the land question does not present the same characteristics as in other parts of Canada, or as it does in the grass countries of the interior of the Province, but I have also been able to understand that in these latter districts it may be even more necessary to deal justly and liberally with the Indian in regard to his land rights even than on the prairies of the North-West. I am very happy to think that the British Columbia Government should have recognized the necessity of assisting the Dominion Government in ameliorating the present condition of affairs in this respect, and that it has agreed to the creation of a joint commission for the purpose of putting the interests of the Indian population on a more satisfactory footing. Of course in what I have said I do

not mean that, in our desire to be humane and to act justly, we should do anything unreasonable or Quixotic, or that rights already acquired by white men should be inconsiderately invaded or recalled; but I would venture to put the Government of British Columbia on its guard against the fatal eventualities which might arise should a sense of injustice provoke the Indian population to violence or into collision with our scattered settlers. Probably there has gone forth amongst them very incorrect and exaggerated information of the warlike achievements of their brethren in Dakotah, and their uneducated minds are incapable of calculating chances. Of course there is no danger of any serious or permanent revolt, but it must be remembered that even an accidental collision in which blood was shed might have a most disastrous effect upon our present satisfactory relations with the warlike tribes in the North-West, whose amity and adhesion to our system of government is so essential to the progress of the Pacific Railway, and I make this appeal, as I may call it, with all the more earnestness since I have convinced myself of the degree to which, if properly dealt with, the Indian population might be made to contribute to the development of the wealth and resources of the Province. I have now seen them in all phases of their existence, from the half-naked savage, perched like a bird of prey, in a red blanket, upon a rock trying to catch his miserable dinner of fish, to the neat Indian maiden in Mr. Duncan's school at Metlakatlah, as modest and as well dressed as any clergyman's daughter in an English parish, or to the shrewd horse-riding Siwash of the Thompson Valley, with his racers in training for the Ashcroft stakes and as proud of his stackyard and turnip field as a British squire. In his first condition it is evident he is scarcely a producer or consumer; in his second he is eminently both; and in proportion as he can be raised to the higher level of civilization will be the degree to which he will contribute to the vital energies of the Province. What you want are not resources, but human beings to develop them and to consume them. Raise your 60,000 Indians to the level Mr. Duncan has taught us they can be brought

and consider what an enormous amount of vital power you will have added to your present strength. But I must not keep you longer. I thank you most heartily for your patience and attention. Most earnestly do I desire the accomplishment of all your aspirations, and if ever I have the good fortune to come to British Columbia again I hope it may be by —Rail.

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